

Implementation Guide

Overview

The purpose of this Implementation Guide is to assist schools that participate in the Federal Pell Grant Program, Third Party Servicers, and Software Vendors with implementing the system changes for the 2001–2002 RFMS Program. In addition, it is intended to provide relevant information to new schools and financial aid administrators (FAAs) to help them to begin participating in the Federal Pell Grant Program.

This guide provides information about:

- 2001-2002 Modifications and information on what is new for 2001-2002
- Overview of RFMS and general descriptions of the processes
- Award Year Specific Information, including Message Class Tables, Yearly Parameters, and Pell Payment Tables
- Batches, including batch process and data flow, 2001-2002 modifications, sorting order, and edit modifications
- Originations, including process and data flow, 2001-2002 modifications, calculation examples/scenarios, sorting order, and edit modifications
- Disbursements, including process and data flow, 2001-2002 modifications, calculation examples/scenarios, and sorting order

- Electronic Statement of Account (ESOA), including process/data flow, drawing down funds, 2001-2002 modifications, and report layouts
- Four types of data requests, including the process/data flow, 2001-2002 modifications, sorting order, and edit modifications
- School data, including the process/data flow, 2001-2002 modifications, sorting orders, and edit modifications
- Cycle process flows for daily processing and yearly processing by RFMS
- Business rules for RFMS records and processes
- Description of RFMS Lessons Learned and Tips for Problem Solving
- At-A-Glance Edit Codes as well as Edit Code Tables and Technical Edits
- Federal Pell Grants Web-site
- New schools and financial aid administrators suggestions
- Getting Started

This Implementation Guide is a companion to the record layouts and edits contained in Custom Layouts, and Appendix D, Reject Codes, Error Messages, and Edit Descriptions. Questions pertaining to this section should be directed to RFMS Customer Service at 800/4PGRANT (or 800/474-7268) or sent by e-mail to pell_systems@ed.gov.

To help users understand the new guidelines, the modifications have been classified into four specific functional areas:

- Batches
- Origination Records
- Disbursement Records
- Data Requests

Within each functional area, individual modifications are described and discussed.

2001–2002 Modifications

What’s New for 2001-2002

The following matrix, 2001-2002 Modifications-At-A-Glance, presents an at-a-glance table for viewing 2001-2002 cycle modifications to RFMS processes and procedures, edits, record layouts, fields, records, and reject codes.

2001–2002 Modifications	New Process/ Procedure	New or Redefined Edit(s)	Redesign Record Layout	New or Redefined Field(s)	Eliminated Records, Fields, Edits & Reject Codes
1. Removed Batch Edit 234 that checked the TIVWAN ID, as it is a duplicate of Edit 233.					X
2. Provided new descriptions for Edit Messages for batch edits 201, 202, and 209 to make them clearer.		X			
3. Removed “Grantee DUNS Number” and “Financial Servicer DUNS Number” fields from the Grant Batch Header record and added “OPE ID” field.		X		X	X
4. Deleted Edit 216 for current cycle. A new edit will be added for the OPE ID to check if the data is present and will be a warning edit.				X	X
5. Added the Disbursement Batch Number field to the record layout for the YTD disbursement record.			X	X	
6. Added “Student’s Name”, “Blocker Amount and Percentage” and “Attending Pell” to the MRR record file.			X		

2001–2002 Modifications at a Glance (Continued)

2001–2002 Modifications	New Process/ Procedure	New or Redefined Edit(s)	Redesign Record Layout	New or Redefined Field(s)	Eliminated Records, Fields, Edits & Reject Codes
7. Changed YTD Request to allow both requests for an individual attended campus or for all attended campuses under one reporting campus.			X		
8. Changed YTD Request to allow both requests for an individual attended campus or for all attended campuses under one reporting campus.			X		
9. The “Payment Period Start Date” was added to both the disbursement and the disbursement acknowledgement records.			X		
10. Eliminated Special Disbursement Record. RFMS will now only have one disbursement record layout instead of two.	X				X
11. Removed edit that prohibited disbursements on records with a Verification status of “W.”					X
12. Changed Edit 406 to indicate that the amount has been adjusted.		X			
13. Edit 414 was modified to not turn on when the submitted disbursement amount is \$0 and the D/C Indicator is “N.”		X			

2001–2002 Modifications at a Glance (Continued)

2001–2002 Modifications	New Process/ Procedure	New or Redefined Edit(s)	Redesign Record Layout	New or Redefined Field(s)	Eliminated Records, Fields, Edits & Reject Codes
14. All Special Disbursement Record Edit Codes (500's) were deleted since Special Disbursement will no longer be used.					X
15. Added new Edit Codes for duplicate reference numbers and added an Action Code of 'D' for these records.		X			
16. Deleted Edit 409, as it was never triggered due to a batch edit.					X
17. The "Number of Payment Periods" field on both the Origination Record and Origination Acknowledgement Record will no longer be used.			X		
18. Origination Edit 303 was split into two separate edits to make the edits clearer.		X			
19. Edit 309 was modified for the Verification status of "W."		X			
20. Edits 301 and 401 were split into two separate edits to make the edits clearer.		X			
21. Modified Edit 322 to remove the check for Accepted PM = 4.	X	X			
22. Added a 3-position field for "Sequence Number" to the database and to the origination and origination acknowledgement.			X	X	
23. Modified Origination Edit 315 to include the following condition to cause 315 to hit AC=5 and PM=5.		X			
24. Added a new Data Request, which produces a Reconciliation file.	X	X	X		
25. Data Request process will produce an acknowledgement for both accepted and rejected requests.	X				

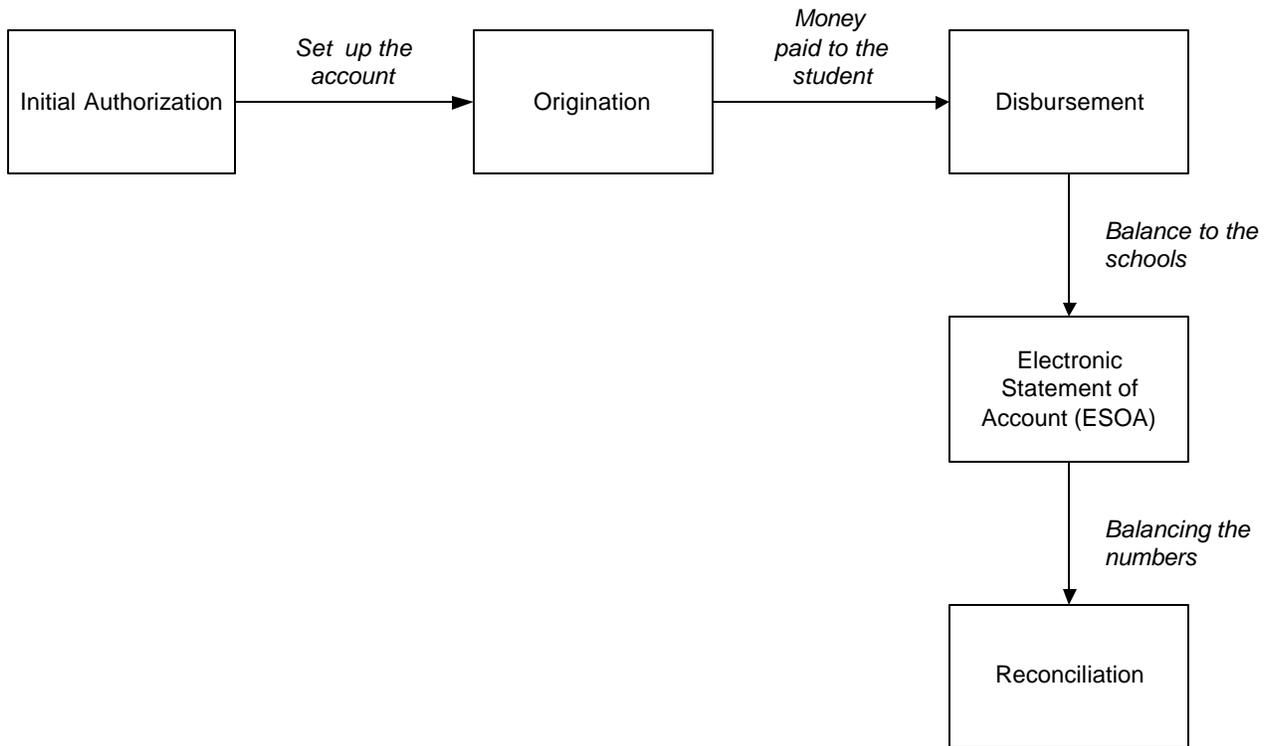
Recipient Financial Management System (RFMS) Process

The Recipient Financial Management System (RFMS) began operation in the 1999-2000 award year. The funding for the Federal Pell Grant Program is based on an award year that begins each academic year with an initial authorization amount, beginning July 1st and ending on September 30th, fifteen months later, when schools can no longer request routine increases. However, extensive post-deadline processing continues for five years until the funding is cancelled. The RFMS redesigned the Federal Pell Grant funding processes to meet the initiatives of the Federal Pell Grant Program. The RFMS is a system that includes the concepts of Just-In-Time (JIT) funding and continuous reconciliation.

The RFMS supports schools participating in Advanced Funding, JIT, or Reimbursement methods of funding. Advanced Funding is the primary method of payment for Federal Pell Grants, where the school receives an initial obligation amount from which the school may draw down. This obligation amount is not increased until the net accepted disbursement amount exceeds the initial authorization amount. JIT Funding is a new method of payment that was made available for the first time in the 1999-2000 RFMS. JIT skips the initial funding process and deposits funds directly into the school's bank account because of the processing of student level Disbursement Records by RFMS.

With the RFMS, the Case Management Oversight (CMO) staff at ED determines when a school is required to participate in Reimbursement. This method of payment is for schools requiring additional reporting for Federal Pell Grant fund payments. Figure 3-1, RFMS Process Flow, shows the flow of data to and from RFMS starting with initial authorization, setting up the student account, to origination, to disbursement and, finally, reconciliation.

RFMS Process Flow



Interfacing Systems

The RFMS interfaces with school, user, and Department of Education systems. These interfaces are presented in the section that follows. In addition, for assistance in building records, detailed record layout descriptions for the Origination, Disbursement, and Acknowledgement Records can be found in the Custom Layouts.

RFMS School Interface

Schools use the EDEExpress software and third-party software to send Origination and Disbursement records to RFMS through the Title IV Wide Area Network (TIVWAN) /Student Aid Internet Gateway (SAIG). RFMS also sends related Acknowledgement records back to the schools through SAIG.

Schools send batches of origination and disbursement records because of paying or expecting to pay Federal Pell Grant funds to students. Schools can send batches across the SAIG. These batches of records are processed by RFMS with records accepted, accepted with corrections, duplicates, or rejected.

For each different type of batch, a detailed acknowledgement is sent to the school after input processing is complete. Each acknowledgement contains the acceptance status, accepted field values, and comments explaining the processing results if necessary. Comment codes that are interpreted by the school are returned to explain rejections and corrections. Batches that are rejected are not processed and no information is retained on RFMS other than the reject reason. The acknowledgement also contains additional data calculated during processing.

The Origination Record contains the Scheduled Award Amount, and the Disbursement acknowledgements contain the Year-To-Date Disbursement Amount to improve the school's ability to reconcile.

Overall Process

Initial Authorization

The School Participation Data is updated at the beginning of each award year for all schools eligible to participate in the Federal Pell Grant Program. Once the school data has been updated, initial funding amounts are calculated for all schools participating in Advance Funding methods of payment. This batch process runs once a year. After the school data is updated for all eligible schools and the initial funding is determined for all appropriate schools, initial funding is complete.

When do schools get their funding?

Pell Grant funds become available to schools on July 1 of each award year.

What formula is used to calculate funding?

An initial authorization is not intended to fund a school for the entire award year. This initial authorization provides the basis for immediate funding for the new award year. As each advance-funded school submits disbursement batches, the total accepted amount for each batch is applied to the initial authorization. When the batch total exceeds the amount of the initial authorization, the authorization will be increased to cover each additional batch as it is accepted.

Remember that Origination Records do not increase your authorization level; only Disbursement Records increase authorizations.

As in previous years, your initial authorizations for 2001-2002 are determined based on a percentage of disbursement data that is submitted and accepted during the 2000-2001 award year.

The formula used to determine your initial authorization is based on three criteria:

- Previous Award Year's Disbursements
- Type of Academic Calendar Used at the school
- Percentage Level Associated with Academic Calendar

Example:

School A is a semester school that disbursed \$100,000 in AY 2000-2001.

Criteria:

\$100,000

Semester School

Semester Schools receive 40%

School A would receive an Initial Authorization of \$40,000 for AY 2001-2002.

Is the money deobligated?

Yes. Near the end of the award year, a program is run to bring the amount of obligations down to the current disbursement amount.

Can funding be increased?

Yes. Schools may ask for an increase to their initial authorization by submitting an email request to: PELL_SYSTEMS@ED.GOV.

You may also call the Pell Grant Hotline 1-800-4PGRANT (1-800-474-7268) if you have any questions concerning Initial Authorization.

Just-In-Time (JIT) Funding

Just-In-Time (JIT) Funding was made available for the first time in the 1999-2000 RFMS. JIT schools do not receive initial funding amounts. They receive funds directly deposited into their bank account because of the processing of student level Disbursement Records from the school by RFMS.

General Process for Origination

In RFMS the origination record is matched with the student's CPS record.

The origination record establishes a student's eligibility and the amount of Federal Pell Grant funding the student can receive for the award year. A school must submit an origination record for every Federal Pell Grant recipient. This origination data is used to verify a student's eligibility for a Federal Pell Grant for the award amount, identify possible school conflicts, and improve projections by ED for the Federal Pell Grant Program funding.

Included on the origination record are the schools estimated disbursement dates on which the school expects to pay the student.

Also included on the origination record is the payment methodology, academic calendar, enrollment status or hours attended, and award amount for the whole year.

Schools submit origination records to RFMS electronically. The records are submitted via the SAIG early in the award year cycle by the schools to provide award year level information about the student.

RFMS calculates the scheduled award for the student based on the information provided on the origination record. If the award calculated by RFMS is the same as on the submitted origination record, the record is accepted. If it differs, and the amount calculated by RFMS is lower, then the record is accepted with corrections. RFMS never increases an award amount.

As part of processing the origination records, missing or invalid data values are changed. These accepted with correction values are returned to the school as part of the acknowledgement.

After a batch of originations has been processed by RFMS, an origination acknowledgement is returned for each origination record submitted. The Origination Acknowledgement Record contains the scheduled Federal Pell Grant Award for the recipient at the school, the record acceptance status, the values accepted by RFMS during processing, and comment codes to indicate rejection, corrections made to date, and/or warning messages.

These acknowledgements are returned generally within three to five hours after the Origination Records are processed. All data elements sent in the Origination Record are returned to the school in the Origination Acknowledgement Record.

A detailed record layout description of all fields of the Origination Record, is located in Custom Layouts.

RFMS Changes to Origination Record Information

RFMS makes corrections to invalid values whenever possible, rather than rejecting the record. Values may be invalid because they are formatted incorrectly, or they may be invalid in relation to other data the school has reported.

For example, the school reported academic calendar as 3 (Semester) but the payment methodology is reported as 4 (Credit/Clock Hour, or Formula 4). In this case, RFMS would correct the payment methodology to 3 (Credit Hour with standard or nonstandard terms), the RFMS default value, to agree with the reported academic calendar.

The record layouts detail how RFMS corrects invalid values.

RFMS also calculates the maximum award amount the student can receive based on the cost of attendance, enrollment status, and EFC on file in the RFMS. If the school reported an award amount that is more than this maximum calculated amount, RFMS will decrease the calculated award amount.

If the calculated amount is greater than the school reported award amount, then RFMS will decrease the calculated award amount. Note that RFMS will not increase the award amount the school reported; a school that accidentally reported an award amount that's too low will need to update the Origination Record.

School Changes to Origination Record Information

In general, the school only needs to submit an updated Origination Record if there is a change that will increase the award amount. The school has to report increased award amounts, so that RFMS will not accept disbursements up to the increased amount.

To update the Origination Record, the school sends a new record with the same Origination ID, Original SSN, Name Code, and Attended Campus ID as the previously accepted Origination Record. If any of these are different, RFMS will assume the school is sending in a different Origination Record instead of updating an existing record.

If all these identifiers match those on a previous Origination Record, RFMS replaces the data from the previous record with the data on the new Origination Record.

General Process for Disbursements

Schools report each payment made to each eligible student with a Disbursement Record. Schools send Disbursement Records to RFMS electronically via the SAIG.

Before RFMS can accept a Disbursement Record, there must be an accepted Origination Record on file for the student. When RFMS receives Disbursement Records, it edits them to make sure there are no errors. Then it sends an acknowledgement record back to the school for each Disbursement Record.

After RFMS accepts an Origination Record for a particular student, the school sends a Disbursement Record for each Pell Grant disbursement either before or after each disbursement has been made. The Disbursement Record contains information regarding that particular disbursement.

To view all fields of the Disbursement Record, please see the Disbursement Record layout description in Custom Layouts.

Origination batches can be sent at the same time as disbursement batches. To ensure that the origination batches are processed before the disbursement batches, it is recommended that the origination batches are transmitted before the disbursement batches should be transmitted. Origination batches are always processed by RFMS first. However, any Disbursement Record received by RFMS prior to receiving an accepted Origination Record will be rejected. If the origination and disbursement records are sent at the same time and the Origination Record is rejected, then the Disbursement Record will also be rejected.

RFMS verifies that the disbursement amount reported, in the Disbursement Record does not exceed the student's origination award amount, or 100% of the student's eligibility across all schools. Once RFMS completes processing, acknowledgements are generally returned to the school within three to five hours.

The acknowledgements contain record status, accepted field values, and comment codes describing processing. In addition, the Year-To-Date Disbursement Amount is included with each acknowledgement record. These acknowledgements provide the schools with accurate and timely feedback on the status of their Pell Grant records. With this information, schools are able to reconcile with ED more efficiently.

When batches of Disbursement Records are accepted by RFMS, the RFMS Accounting Function (RFMS Subledger) generates obligations and payment transactions for the Grants Administration and Payment System (GAPS), which increases the funds available for the school.

The RFMS Subledger then generates an ESOA for the school when transactions are sent to GAPS and acknowledged back to RFMS. The ESOA is then sent to the school. For Advance Funded schools, the ESOA is generated when the current authorization is exceeded.

RFMS Changes to Disbursement Record Information

On a Disbursement Record, there are not many items that can be corrected. However, the record layouts explain what corrections are valid. RFMS will not allow the student to receive more than the accepted award amount on the Origination Record. If RFMS calculates that the student is going to receive more than the accepted amount on the origination record, RFMS either reduces the disbursement amount submitted or will reject the record.

RFMS also will not allow disbursements already made by other schools to exceed the student's Scheduled Award; RFMS will reduce the disbursement amount. A Multiple Reporting Record (MRR) will also be generated to advise the school of the Potential Overaward Project (POP) situation.

School Changes to Disbursement Information

To correct payment amounts, it may be necessary to update the Origination Record before the school submits a new Disbursement Record. The enrollment status, COA, and EFC on the Origination Record can affect disbursement amounts on the Disbursement Record. The school should verify the accepted award amount on the Origination Record and correct the Origination Record before submitting a new Disbursement Record.

Unlike Origination Records, the information on the new Disbursement Record does not replace the existing record. Instead, the payment amount reported on the new Disbursement Record is added to or subtracted from the accepted payment amount, resulting in a new total payment to the student.

Because the old Disbursement Record information is not replaced, a school cannot actually correct an incorrect disbursement date. If a school reported an anticipated disbursement that was not made, it should send a new Disbursement Record with a negative disbursement amount for the amount that it reported it would pay.

If the Origination Record acknowledgements and Disbursement Record acknowledgements the school has received are accurate and there are no changes to the students' awards, the school must simply retain these records in their files. However, if the information for any student is wrong or changes during the award year, the school may have to make corrections.

The most frequently required changes are to COA, verification status (to update a "W"—payment without documentation), enrollment status (term schools), and payment amounts and dates. Other changes occur less frequently, except in cases of error. For instance, one would not expect the school's academic calendar to change during the award year.

General Process for Multiple Reporting Record

In order to reduce potential overpayments, an MRR will be used to tell schools when another school has submitted an Origination Record or Disbursement Record for a student. Schools may request these records, but they will also be sent automatically in some situations. More information on the MRR process can be found in the January 2000 Action Letter #8 on the IFAP Web site (www.ifap.ed.gov).

A detailed record layout description of the Multiple Reporting Record can be found in Custom Layouts.

Automatic MRRs

Multiple Reporting Records (MRRs) are sent automatically by RFMS when two or more schools submit a Disbursement Record for the same student and block a school from obtaining the full amount of Pell eligibility. A MRR will also be sent automatically if two or more schools send a disbursement within 30 days, creating a concurrent enrollment.

Requesting MRRs

Schools can request a number of different types of MRRs. For example, the school can request information on other schools that have submitted Origination Records or Disbursement Records for certain students. The school can request information about all students it has sent Origination Records for, or for individual students. Alternatively, the school can ask for information on all students for which a particular school has submitted a record. Schools cannot request a MRR to unblock a record. These MRRs are sent automatically by RFMS.

Potential Overaward Project (POP)

If the combination of payments reported would cause the student to receive more than a Scheduled Award, the last Disbursement Record (the one that causes the student to exceed the Scheduled Award) will have its payment amount reduced. However, if RFMS corrects the payment amount down to zero, RFMS will reject the record. This prevents the RFMS system from receiving an overaward, forcing the school(s) and student to resolve it.

All the schools involved will receive a MRR. The school that had its disbursement amount reduced will receive a MRR that shows which other schools made payments that prevented RFMS from accepting its disbursement amount. The other school or schools will receive a MRR showing that its payments have blocked another school from receiving payments. The MRR will also have contact information for the other schools, so the financial aid administrator can contact the school to resolve the problem.

Concurrent Enrollment

Because a student cannot receive Pell funds from two schools for the same period of enrollment, RFMS will provide a MRR as a warning to schools if it looks like the student may be receiving payments from different schools for the same time period. If RFMS receives Disbursement Records for a student where the enrollment dates are within 30 days of each other, it will generate a MRR for each school.

This MRR will have a record type code of “CE” which shows that it was generated because of a possible concurrent enrollment. However, RFMS will not prevent either payment, because the student's enrollment at one school might end before the enrollment at the other begins. Again, the MRR has contact information, so that the financial aid administrators can resolve any possible problems. Note that if both schools involved try to pay the student a full Pell award for the year, they will create a potential overaward situation, and one or more of the subsequent disbursements will be reduced or blocked.

General Process for Data Requests and Institution Data Records

Schools can send two other record types to RFMS—Data Requests and Institutional Data records.

The Data Request record is a multi-use record used to request:

- Multiple Reporting Records,
- Reconciliation File records, Statements of Account, and
- Year-To-Date (YTD) files.

When the school sends the Data Request Record, RFMS returns the processed data records requested to the school. If RFMS rejects a data request, no data records will be sent back to the school. Instead, an acknowledgement report is returned to the school with the edit codes that represent the errors.

A school can also send an Institution Data record that contains new demographic data about the school. Neither the Data Request nor the Institution Data records are required for a school to participate in the Federal Pell Grant Program.

Year-To-Date (YTD) Records

The YTD origination record for a student will show the origination information RFMS is using for the student. If RFMS made corrections to the data, the YTD record has the corrected information. This record also has the total amount disbursed to the student for the year.

The YTD disbursement records for the student show the accepted data for each disbursement the school reported. Looking at the YTD records shows the school what information the Department has about its students, which may conflict with the school records.

The YTD summary will show the number of recipients at the school; the number of origination and disbursement records that were accepted, corrected, duplicated, or rejected; and, for a certain edit codes, the number of times the school received that edit code on an acknowledgement.

The software being used by the school should allow it to generate the information it needs for reconciling its records with the Department's record. For example, the school may be able to automatically compare its records to the YTD record to get a list of students who have differing disbursement amounts in the two sets of records. Schools should consult the documentation for their software for more information on the uses of YTD data.

RFMS is designed to report and request funds for the Federal Pell Grant Program. The YTD file is used in reconciliation as well as replacing a corrupted database. It also provides information to schools about a student's origination and disbursement status as well as a summary total of all origination and disbursement data submitted by a school.

General Purpose of the YTD File and the Process for Requesting It

In the legacy system for years prior to the 1999-2000 cycle, the YTD file was used to replace lost databases. It was retained in the RFMS.

Purpose of the YTD File

The YTD file performs a dual role. Schools can request the YTD file to replace a corrupt database or to reconcile their records with the accepted data that RFMS has retained. Schools who use EDEExpress have the following options:

- Comparing and printing a discrepancy report,
- Printing all YTD records,
- Updating selected records, and
- Updating/rebuilding all.

Process for Requesting a YTD File

You may request a YTD file at any time by submitting a data request record or by using the RFMS Web site:

<http://www.pellgrantsonline.ed.gov>

A data request must be received for each attended campus desired when requesting a YTD file.

After submitting origination records for eligible students to RFMS and receiving origination acknowledgements, you can submit data request records asking for a YTD file on your originated students. RFMS receives and edits the data request record to verify that students have been originated at your school and that the physical layout of the data request record is accurate.

If the data request record passes all the edits and the requested data exists on the database, RFMS sends a YTD file for your school under the message class PGYR02OP. There is no paper copy of the YTD file. If the data request record fails the edits or RFMS does not find the data you requested, it acknowledges receipt of your request and identifies the reason for rejecting it. For example:

- If you submit a data request record for a school and omit necessary information, such as the attended campus, RFMS acknowledges receipt of the request and rejects it, telling you that your request was incomplete.
- If you submit a data request record for a school that has not received accepted origination acknowledgement records, RFMS acknowledges receipt of the request and rejects it, telling you that it has no information for the requested school.

All edits, codes, and their descriptions are available on the IFAP Web site at under the Pell Grant (RFMS) Process section. They are also located in Appendix D.

Format of the YTD File Sent From RFMS

Each YTD file from RFMS contains three parts:

1. The last accepted Origination Record for each student,
2. Each accepted Disbursement Record for each student, and
3. A summary of data sent to the school.

The Origination portion contains all accepted data for the last accepted origination on record in the RFMS for your school. The Disbursement portion provides you with each accepted disbursement tied to the origination. The summary provides the school with summary information on all origination and disbursements contained in the YTD record.

It is not possible to request or receive one part of the YTD file; all three are sent with each request. The most current record layout is available on the IFAP Web site at <http://ifap.ed.gov> under "Pell Grant (RFMS) Process."

Note: The "YTD Disbursement Amount" is located on the Origination portion of the record beginning at position 301. This value reflects the current amount of accepted disbursements for that origination ID in RFMS.

For EDEExpress Users

The YTD Comparison Report will list the differences between your database and the imported YTD file; it prints in two sections. The first section notes the Pell Origination exceptions; and the second section prints the Pell Disbursement exceptions, followed by a one-page summary of the Origination and Disbursement data.

When importing a YTD file you can mark the "Compare and Print Exception?" box so the software will identify the differences between the information in the import file and your EDEExpress database Pell tables and generate a discrepancy report in Last Name order.

Verify that you have imported all Pell Origination and Disbursement acknowledgements before running the compare feature; this will ensure the RFMS data in the YTD file is being compared against your most current processing results.

You should also delete records for students not attending your school that have been created but not submitted to RFMS. Otherwise, these records will be flagged as exceptions on the import Compare Report under the Pell database exceptions.

If you are not sure whether you want to use the Update option, we recommend you use the compare feature the first time you import the YTD file to view what updates may occur. There may not be any exceptions.

You also have the option to select the "Print All" box which will print all records in the YTD file in Last Name order.

Once you have imported the YTD file with the compare option selected and verified the potential updates, you can re-import the same YTD file and choose "Update: Selected Records." With this feature you can update specific student records with the information from the imported YTD file, if you are missing an acknowledgement file and want to update specific records that were in the missing batch.

The "Rebuild All" Update option will overwrite all the records in your database that have matching origination IDs in the YTD file.

Note: You should only use this option if you were forced to reinstall EDEExpress and want to recreate your Pell record database.

General Process for Electronic Correspondence from ED to Schools

Throughout the year, RFMS produces electronic letters and messages to communicate information from ED and the Federal Pell Grant Program to participating schools. School-specific letters are sent from ED in a text file through SAIG.

Some Electronic Correspondence media include:

- **IFAP Web site:** The IFAP Web site at is an ED Web site designed to provide information to financial aid professionals. It has an electronic library and search tool and contains publications, regulations, and guidance correspondence regarding the administration of the Title IV Federal Programs.

The following frequently requested publications are maintained:

- Action letters
- Dear Partner Letters
- Electronic Announcements (P-Messages)
- New issues in Federal Registers
- SFA Handbooks

At the IFAP Web site, there are many links to other EDE sites, such as:

- SFA Training Web site
- SFA Conference Registration Web site
- Direct Loan Web site
- Publications Ordering Web site
- RFMS Web site

P-Messages

P-messages are a type of ad hoc correspondence. They are messages sent via e-mail, TIV WAN/SAIG Message, or Listserv to every eligible school in the Federal Pell Grant Program. They are also posted on the IFAP Web Page as an Electronic Announcement. These messages are used to communicate an announcement or problem.

SFATECH

SFATECH is an on-line e-mail listserv for technical questions about Student Financial Aid (SFA) systems and software. Inquiries posted to the listserv are reviewed by ED staff and forwarded to the appropriate Title IV program analyst for response.

Pell specific questions are forwarded to pell_systems@ed.gov. The mailbox is reviewed and responses are sent within 24 hours of receipt. If a response needs further clarification, it is referred to a Development Team Leader requiring more than a one-day response, an e-mail will be sent to the school advising of this delay.

If a question is received that requires additional information or clarification from the originator, an attempt will be made to contact the originator by a telephone call. If unsuccessful, an e-mail will be sent to SFATECH to have a private e-mail sent to the originator rather than the entire listserv.

To improve school access to RFMS, schools can verify batch status, submit data requests, or enter institution data records via the Internet at the Federal Pell Grant Program Web site. In addition, the schools can enter post-deadline records via this interface. The Internet access to RFMS is available 24 hours a day, 7 days a week and can be accessed at:

<http://www.pellgrantsonline.ed.gov>

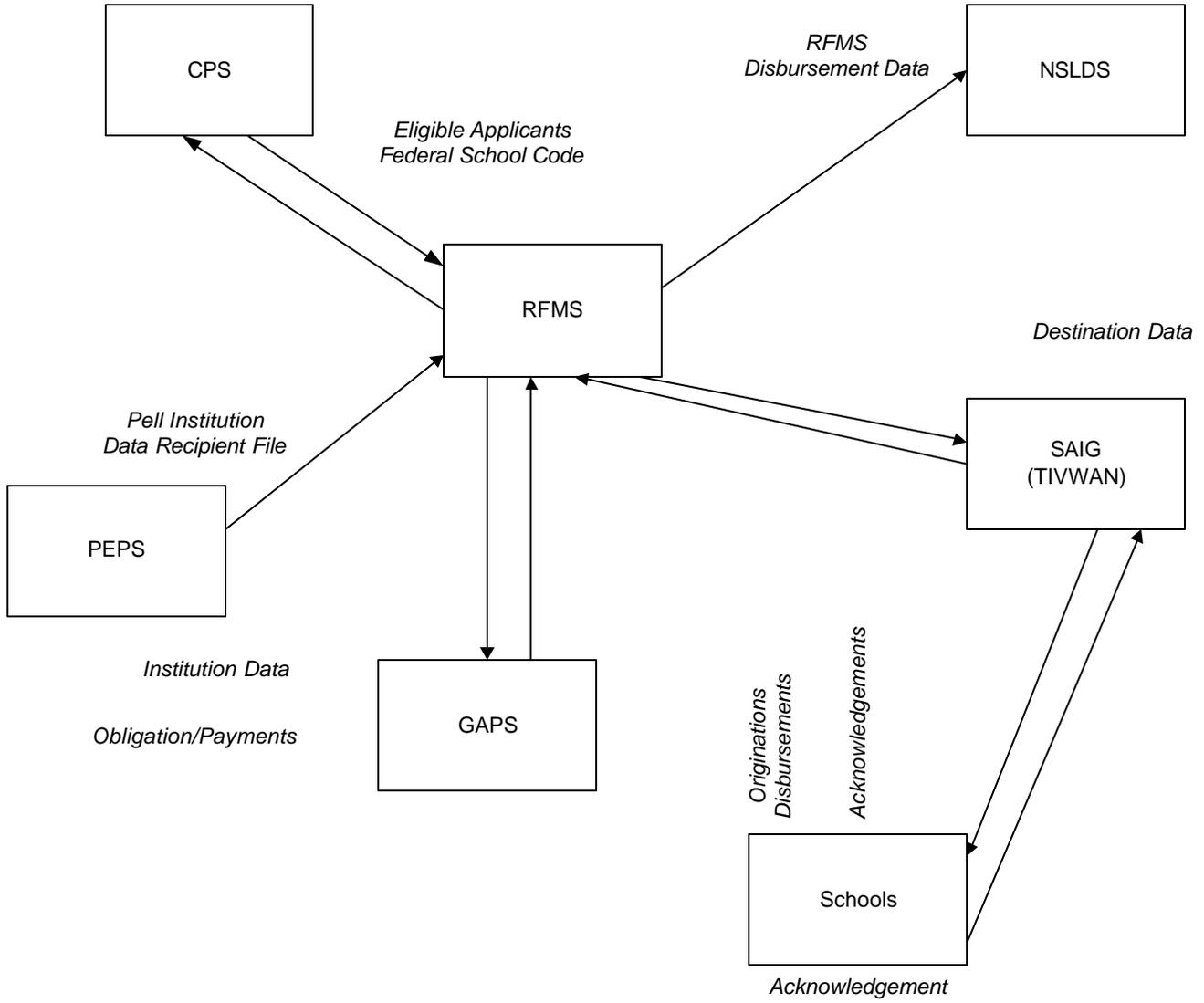
RFMS Interfaces with ED Systems

RFMS interfaces with the following ED systems allowing it to receive or send data.

- Central Processing System (CPS)
- National Student Loan Data System (NSLDS)
- Postsecondary Education Participants System (PEPS)
- Student Aid Internet Gateway (SAIG)
- Grants Administration Payment System (GAPS)

The following ED System Interfaces with RFMS Flowchart shows the ED systems that interface with RFMS.

RFMS Interfaces with ED Systems Process Flow



Central Processing System (CPS)

CPS provides student eligibility information to RFMS for processing detail records. In addition, CPS provides additional data to support RFMS MIS reporting. Reciprocally, RFMS provides recipient data to CPS for reporting purposes. School data is also provided to CPS, until the point in time when CPS interfaces directly with PEPS.

Postsecondary Education Participants System (PEPS)

PEPS provides RFMS with school eligibility information. A school's eligibility to participate in the Federal Pell Grant Program can change anytime throughout the academic year, therefore, updates must be provided to RFMS on a regular basis.

Student Aid Internet Gateway (SAIG)

The SAIG (formerly TIVWAN) is the primary vehicle that transports data between RFMS and schools via the Internet. It also provides RFMS with participation data. This data assists RFMS in determining which schools are eligible to send data electronically.

By enrolling in SAIG, schools are able to exchange information electronically with the U.S. Department of Education. Many student financial aid services can be accessed via the SAIG. Schools must determine which services they need, and enroll appropriate individuals as destination point administrators (DPAs) for the specific services that the school wants them to access. When a school enrolls a new DPA, a destination will be established with an assigned "TG" number that identifies the DPAs' destination point on the SAIG.

Schools may enroll destination point administrators with their own destination points (mailboxes) for each service or function, or you may combine services and functions through a single DPA with a single destination point (DP). Where permitted, the DPA will determine the SAIG users allowed access to that destination point. The DPA must enforce the security requirements as outlined in the SAIG User Statement, including the completion and maintenance of this statement(s). The president/CEO/chancellor must certify that each DPA has developed secure procedures in compliance with the security requirements for permitting other people to use his/her destination point. The DPA must also complete a profile for each SAIG user within the EDconn32 software used to connect to SAIG.

You may add and change enrollment information about yourself and your organization by utilizing this Student Aid Internet Gateway Enrollment Web site at:

<http://www.sfawebenroll.ed.gov/T4Enroll/T4EnrollServlet.jrun>

Grants Administration Payment System (GAPS)

GAPS is the system within ED Central Processing System (EDCAPS) that processes obligations and payment transactions. RFMS sends obligations and payments to GAPS. GAPS provides an acknowledgement back to RFMS with processing results. In addition, GAPS provides updates to transactions which affect the available balance. RFMS also receives the DUNS number from the recipient system.

Financial Management Systems Software (FMSS)

FMSS is a system within EDCAPS. FMSS posts obligations received from GAPS to the General Ledger and processes receivables.

National Student Loan Data System (NSLDS)

NSLDS receives payment information for all students receiving Federal Pell Grants in the RFMS.

RFMS Core System Functions

There are five core functional areas of RFMS to process the Origination and Disbursement Records received from schools. These areas include:

- Establishing Initial Funding,
- Receiving Input Records,
- Processing Input Records,
- Generating Accounting Transactions, and
- Interfacing with ED Systems.

The general procedures for each of the processing areas are described below.

Process for Receiving Input (Origination and Disbursement) Records

RFMS receives all batches of input records from SAIG at a single mailbox. All batches follow the same flow through the system regardless of the source from which the batch is received. All batches of input records are edited by the transmission and batch edits. These edits validate the data in the transmission and grant headers and trailers. Once these batches pass the transmission and batch level edits, the approved batches proceed to detail record editing. Rejected batches are returned immediately with reject comment codes on the batch header. Entire batches are not rejected due to errors on detail records.

Batches are processed in a predetermined sequence to ensure proper processing. The sequence for processing input batches is: Institution Data, Origination, Disbursements, and Data Requests if Disbursements and Originations are sent at different times.

Process for Processing Input (Origination and Disbursement) Records

Accepted batches are processed to ensure that the detail records contain accurate and valid information about the student and Federal Pell Grant Award. The origination processing edits accept field values, verify the student's eligibility, and verify the correct award amount. Disbursement edits verify that the correct payment amounts were calculated and identify any situations involving potential overaward (POP) and concurrent enrollment.

After processing edits are performed on the detail records, each record is either accepted, accepted with corrections, duplicate, or rejected. This is reflected in the Action Code in the Acknowledgement record. The processed detail records are included in an acknowledgement batch and transmitted immediately to the school except for disbursement batches that are being held in the CMO holding bin for schools on reimbursement. Data Requests are generated into batches and transmitted to the school generally within 24 hours. Summary level data for accepted Disbursement batches are sent to the RFMS Subledger.

Process for Generating Accounting Transactions

The RFMS Accounting function generates summary-level school transactions. These transactions are posted to the RFMS Subledger. Transactions are approved by Pell Operations staff and edited using the same edits GAPS uses before submitting to GAPS. Approved transactions are converted to the GAPS interface format for obligations and payments as appropriate to the transaction and method of payment for the school.

These obligation and/or payment transactions are then submitted to GAPS. After processing, GAPS sends an acknowledgement to RFMS of acceptance or rejection within GAPS.

Administrative Cost Allowance

The Administrative Cost Allowance is money that is paid to schools to offset some of the cost of delivering financial aid to students. For the Federal Pell Grant Program, the amount is \$5.00 for each student at the school who receives a Federal Pell Grant. This amount is based on the number of Pell recipients reported by the school, including students who withdrew from school or were transferred (even if all Federal Pell Grants were recovered). RFMS then calculates Administrative Cost Allowance (ACA) payments for Pell Operations approval.

Administrative Cost Allowance Letter

Administrative Cost Allowance Letters are transmitted electronically through SAIG at least three times a year for all participating Federal Pell Grant schools. The letter notifies schools that they will receive, under separate cover, a direct deposit into their bank account from the Federal Reserve to cover certain expenses associated with administering the Federal Pell Grant program.

Sample Electronic Administrative Cost Allowance Text Message

Shown below is the Sample Electronic Administrative Cost Allowance Text Message that is sent electronically to schools notifying them of the ACA amount being deposited in their account.

Note: Your institution should expect deposit totaling 999999999999.99 for Administrative Cost Allowance supporting reporting of 99999999 student disbursements for the award year 2002.

Award Year Specific Information

Message Class Table

The 2001-2002 Federal Pell Grant message classes are shown in the table below:

Pell Message Classes

Message Class	Sent or Received by School	Batch ID	Data Type	Record Length	TIVWAN/SAIG Mailbox
N/A	Sent / Received	N/A	TIVWAN/SAIG Transmission Header Record	Variable	TG54880
N/A	Sent / Received	N/A	TIVWAN/SAIG Transmission Batch Header Record	Variable	TG54880
N/A	Sent / Received	N/A	TIVWAN/SAIG Transmission Batch Trailer Record	Variable	TG54880
N/A	Sent / Received	N/A	TIVWAN/SAIG Transmission Trailer Record	Variable	TG54880
N/A	Sent / Received	N/A	Grant Header Record	Variable	TG54880
N/A	Sent / Received	N/A	Grant Trailer Record	Variable	TG54880
PGOR02IN	Sent	#O	Origination Records	250	TG54880
PGOA02OP	Received	#O	Origination Acknowledgement Records	355	TG54880
PGOP02OP	Received	#P	Origination Acknowledgement Records from the Web	355	TG54880
PGDR02IN	Sent	#D	Disbursement Records	100	TG54880
PGDA02OP	Received	#D	Disbursement Acknowledgement Records	200	TG54880
PGDW02OP	Received	#W	Disbursement Acknowledgement Records from the Web	200	TG54880
PGAS02OP	Received	#A	Statement of Account Records	200	TG54880
PGID02IN	Sent	#I	Institution Data Records	240	TG54880
PGIA02OP	Received	#I	Institution Data Acknowledgement	106	TG54880
PGRQ02IN	Sent	#R	Data Request Records	100	TG54880
PGRA02OP	Received	#R	Data Request Acknowledgement	100	TG54880
PGMR02OP	Received	#M	Multiple Reporting Records	450	TG54880
PGRC02OP	Received	#C	Reconciliation Records	112	TG54880
PGYR02OP	Received	#Y	Year to Date Records	350	TG54880
PGTX02OP	Received	#T	ED Comments in ASCII Text Format	80	TG54880
PG**02OP	Sent	#G	RFMS System Generated Batches	??	TG54880

Yearly Parameters

For each school year in RFMS, certain parameter data is updated to display the values that will be used for that school year. Listed below are the tables that contain data that is specific to a school year.

Field	Minimum Value	Maximum Value
Expected Family Contribution (EFC)	00000	3550.00
Award Amount	00000	3750.00
Low Tuition Fee EFC	00000	500.00
Low Tuition Fee Cost of Attendance	3200.00	99999.99
Payment Period Start Date	01/01/2001	06/30/2002
Cost of Attendance (COA)	00000.00	99999.99
Weeks of Instructional Time in Acad. Year	30	78
Credit Hours in Academic Year	24	100
Clock Hours in Academic Year	900	3120
Enrollment Date	01/01/2001	06/30/2002

The Number of Days is used in the edits for the “N” Day values. This indicates how many days prior to the disbursement the record can be sent to RFMS depending on the Funding Type of the school.

Code	Number of Days
Just In Time	5
Advance Funding	30
Reimbursement	0

Pell Payment Tables

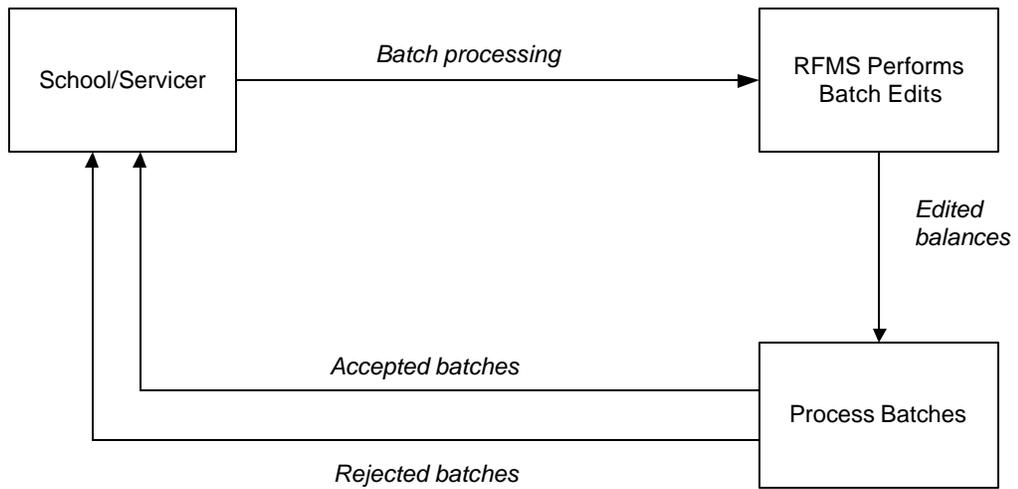
The 2001-2002 Pell Payment Tables are available on the IFAP Web site at www.ifap@ed.gov.

Batches

Batch Process/Data

The flowchart below shows the flow of the batch process.

Batch Process Flow



2001-2002 Modifications

- Removed Batch Edit 234, which checks the TG# as it is a duplicate of Edit 233.
- Provided new descriptions for Batch Edit Messages 201, 202, and 209 to make them clearer. 201 now reads “Missing/Mismatched Grant Batch Header”. 202 now reads “Missing/Mismatched Grant Batch Trailer”, and 209 now reads “Invalid/Missing Batch Number”.
- Deleted Batch Edit 216 for current cycle. A new edit will be added for the OPE ID to check if the data is present and will be a warning edit.
- Removed Grantee DUNS Number and Financial Servicer DUNS Number fields from the Grant Batch Header Record and added OPE ID field.

Sort Order

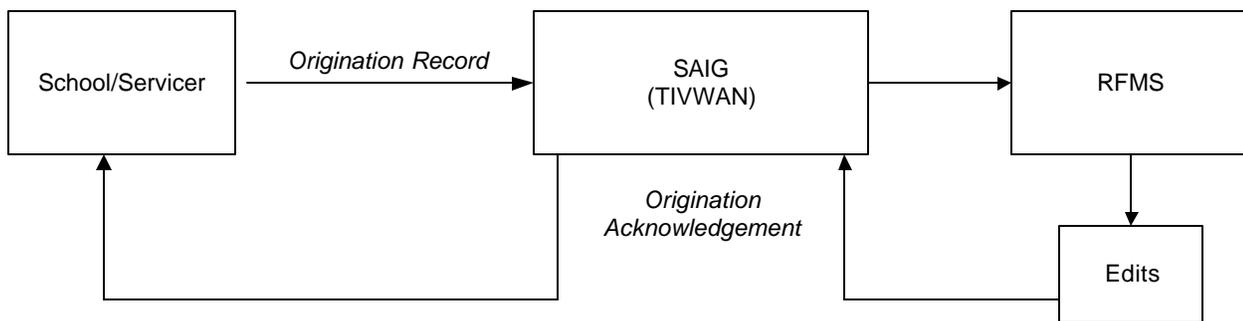
In processing, the sort order is Originations, Disbursements, Data Requests, Institution Data. Batches are sorted by “first in, first out.”

Originations

Process Data Flow

The flowchart below shows the data flow process for Originations between schools and RFMS.

Originations Process Flow



2001-2002 Modifications

Origination record layouts modified because Special Disbursement records are no longer used, and the “Number of Payment Periods” field on both the Origination Record and Origination Acknowledgement Record will no longer be used.

A 3-position field for “Sequence Number” is added to the database and to the Origination and Origination Acknowledgement records in positions 229-231 of both records. This field allows schools to track which update version of the origination record RFMS has on file.

- Split Origination Edit 303 into two separate edits, one that edits the SSN, and the other that edits the Name Code. This will assist schools in knowing which invalid data caused the edit error to occur.

- Verification Status “W” and “Student is not selected for Verification” were removed from Origination Edit 309. By deleting this condition of the edit, RFMS allows schools that want to use Verification “W” for internal purposes to keep that code on the origination record.
- Origination Edit 301 was split into two separate edits. Now the school will know which invalid data caused the edit to occur. Edit 301 is year-specific and was changed only for 2001-2002.
- A new Action Code was added for Origination Edit 302 for duplication origination. This action code is only valid starting 2001-2002.
- Origination Edit 322 was modified. The last condition of Edit 322 is deleted, and in the second condition, “Accepted PM = 4” was deleted. The steps of the calculation indicating which schedule to use are modified as RFMS was performing the calculation in an illogical manner.
- Origination Edit 315 was modified to include AC=5 and PM=5 since the Academic Calendar of 5 is not valid for Formula 5.

Origination Examples/Scenarios

The examples shown below are calculated using the 2000-2001 Pell Disbursement Schedule.

The following acronyms are used in the examples:

- Weeks of instructional time used to calculate payment (WKSCALC)
- Weeks of instructional time in program’s definition in academic year (WKSPROG)
- Credit/Clock hours in all payment periods expected to complete this school year (HRSCALC)
- Credit/Clock hours in program’s definition of academic year (HRSPROG)

Origination Award Amount Calculations

For the following examples each case will have an EFC = 00000 and a Cost of Attendance = 25000. The full time scheduled award would be 3300.

A) Payment Methodology = 1

- The Reported Origination Award Amount = 3300.00
- The Accepted Origination Award Amount will be 3300 since the Full Time value is 3300.

B) Payment Methodology = 2 or 3

- The Reported Origination Award Amount = 3300.00
- WKSCALC = 33
- WKSPROG = 39

Total Payment Ceiling (TPC) is calculated by (Scheduled Award * WKSCALC) / WKSPROG

$$\text{TPC} = (3300 * 33) / 39 = 2792.307692$$

- Since the cents is greater than .01 the TPC is rounded up to the next whole dollar. TPC = 2793.
- The Accepted Origination Award Amount will be 2793 instead of the reported 3300 since 2793 is less than 3300.

C) Payment Methodology = 4 (Academic Calendar = 5)

- The Reported Origination Amount = 3300.00
- WKSCALC = 33
- WKSPROG = 39
- HRSCALC = 1000
- HRSPROG = 1100
- Total Payment Ceiling is calculated by:
- $$\frac{((\text{Scheduled Full Time Award} * \text{WKSCALC}) / \text{WKSPROG}) * \text{HRSCALC}}{\text{HRSPROG}}$$

$$\text{TPC} = \frac{((3300 * 33) / 39) * 1000}{1100} = 2538.461538$$

Since the cents is greater than .01 the TPC is rounded up to the next whole dollar. TPC = 2539.

The Accepted Origination Award Amount will be 2539 instead of the reported 3300 since 2539 is less than 3300.

D) Payment Methodology = 5 (Academic Calendar = 6)

- The Report Origination Amount = 3300.00
- WKSCALC = 33
- WKSPROG = 39
- HRSCALC = 29
- HRSPROG = 73
- Total Payment Ceiling is calculated by:
- $$\frac{((\text{Scheduled Full Time Award} * \text{WKSCALC}) / \text{WKSPROG}) * \text{HRSCALC}}{\text{HRSPROG}}$$

$$\text{TPC} = \frac{((1650 * 33) / 39) * 29}{73} = 554.63643$$

Since the cents is greater than .01 the TPC is rounded up to the next whole dollar. TPC = 555.

- The Accepted Origination Award Amount will be 555 instead of the reported 3300 since 555 is less than 3300.

Submitting a Change to an Existing Origination Record at RFMS

To submit a change to an existing Origination record at RFMS a new Origination record needs to be created. The new Origination record needs to have the same Origination ID as the existing record. The field(s) that have changed need to be populated with the new value while the field(s) that have not changed need to be populated with the existing values.

Origination Records with an Overpaid Status

An origination acknowledgement with Edit 323 is an overpaid status in RFMS. This situation occurs when the origination award amount is changed to be less than the total amount of accepted disbursements at RFMS. There are three ways to correct this situation:

- Send a negative disbursement to RFMS to lower the total disbursement amount to equal the origination award amount.
- Send an origination change to increase the origination award amount to equal the total accepted disbursement amount at RFMS.
- After 30 days, if either option above has not been employed, RFMS will create a negative disbursement for the difference between the total disbursement amount at RFMS and the origination award amount.

Sort Order

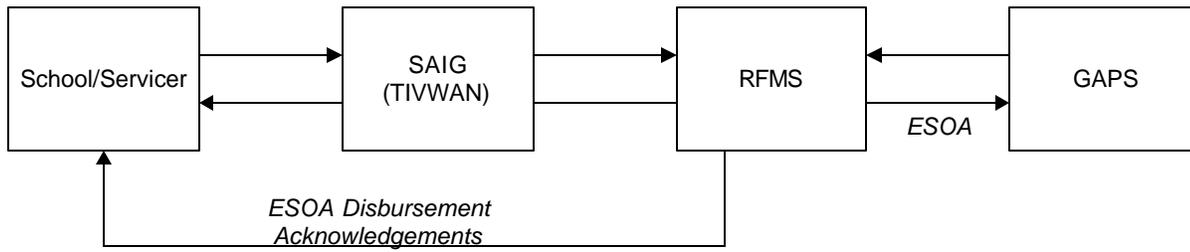
The origination acknowledgement file is sorted the way the origination batch was sent to RFMS. First in, first out.

Disbursements

Process/Data Flow

The flowchart below shows the process flow for disbursements.

Disbursements Process Flow



2001-2002 Modifications to Disbursements

- The Payment Period Start Date is now in positions 56 to 63 for both the Disbursement and the Disbursement Acknowledgement records. This field is required only for ineligible schools. Also, the YTD Disbursement Record will make all the Special Disbursement fields unused.
- Special Disbursement Record was eliminated. RFMS now only has one disbursement record layout instead of two.
- Disbursement Edits 418, 419, 420, and 421 was removed so that funding will not be stopped for Verification “W.”
- Disbursement Edit 406 was changed to indicate that the amount has been adjusted.
- Disbursement Edit 414 was modified to not turn on when the disbursement amount is sent in for \$0 and the D/C Indicator is N.
- All Special Disbursement Edit Codes (500s) were deleted since Special Disbursement will no longer be used.
- New Edit Code “A” is added for duplicate numbers. The duplicate reference part of the edit will remain as Disbursement Edit 403 with the invalid value components becoming the new edit.
- New Action Code “D” is added for “duplicate disbursement records” for Disbursement Edit Code 403.
- Disbursement Edit 409 is deleted, as it was never being triggered due to a batch edit.

Calculation Examples/Scenarios

Correcting a Disbursement Amount

To correct a disbursement amount in RFMS a new disbursement record is submitted for the difference between the existing amount and the new amount.

Example:

On October 1, 2001 the school submitted a disbursement for \$1,000 which was accepted by RFMS. On October 15, 2001 the school needed to adjust the disbursement amount to \$750. The following records would have been submitted.

Disb. Number	Date	Disb. Amt.	Debit/Credit Indicator
01	20011001	1000.00	P
02	20011015	250.00	N

The disbursement amount for the student can continue to be adjusted by sending in positive disbursements to increase the total disbursement amount and negative disbursements to decrease the total disbursement amount.

Percent Eligibility Used at a School vs. Total Percent of Eligibility Used

RFMS calculates the Percent Eligibility Used at a school and the Total Percent of Eligibility Used whenever a disbursement record is accepted by RFMS. These percentages are used in the POP calculations and the percentages are sent to NSLDS.

The Percent Eligibility Used at a school field is calculated by summing all of the accepted disbursement records for this student at this attended institution and dividing that amount by the Scheduled Federal Pell Grant at the attended institution. Round to four places behind the decimal.

The Total Percent of Eligibility Used field is calculated by summing up all of the Percent Eligibility Used amounts at all campuses attended by this student for the current school year. This amount will be rounded to four places after the decimal. RFMS performs percentile rounding that checks for schools using whole dollar disbursements.

Example:

School A Student	Sch. Federal Pell Grant	Disb. Amt.	Percent Elig.	Total Percent
1	3300	350.00	0.1970	0.2275
1	3300	300.25	0.1970	0.2275
2	1750	500.00	0.2857	0.5718

School B Student	Sch. Federal Pell Grant	Disb. Amt.	Percent Elig.	Total Percent
1	3300	100.50	0.0305	0.2275
2	3300	250.33	0.2861	0.5718
2	1750	250.33	0.2861	0.5718

Sort Order

The acknowledgement file is sorted the way the disbursement batch was sent to RFMS.

First in, first out.